



SHERYL L. SPILLER
Acting Director

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

March 06, 2012

19 March 6, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**DELEGATE AUTHORITY TO EXECUTE AMENDMENTS FOR CONTRACT ASSIGNMENTS,
DELEGATIONS, AND CONTRACTORS' NAME CHANGES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Request approval to delegate authority to the Acting Director of the Department of Public Social Services (DPSS), or her designee, to execute amendments for mergers, acquisitions, any other changes in ownership, as applicable to DPSS contracts, or contractor's name changes. The approval of the Chief Executive Officer (CEO) and County Counsel will be obtained prior to executing such amendments, and the Acting Director will notify the Board and the CEO in writing within ten business days after execution.

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Acting Director of DPSS, or her designee, to execute amendments to the DPSS contracts, in a substantially similar form as attached Amendment I (Attachment A) for contract assignments resulting from mergers, acquisitions, and any other changes in ownership as applicable to DPSS contracts, and substantially similar to Amendment II (Attachment B) for contractors' name changes. The approval of the CEO and County Counsel will be obtained prior to executing such amendments, and the Acting Director will notify the Board and the CEO in writing within ten business days after execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will allow DPSS to reduce Board agenda actions resulting from mergers, acquisitions, any other changes in ownership or contractors' name changes that do not impact the general contractual terms or payment provisions.

With the state of the current economy and with a high number of DPSS contractors, the potential for situations involving contractors engaged in mergers, acquisitions and name changes also increases. The Department is seeking delegated authority to execute related amendments to reflect the correct legal entity and responsibilities of the parties when ownership changes occur, or acknowledge a contractor's name change, to alleviate the need to initiate a Board approval request for each instance. Amendments will be executed only after approval by the CEO and approval as to form by County Counsel.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal 2: Children and Families' Well-Being as measured by achievements in the five outcome areas adopted by your Board: good health; economic well-being; safety and survival; social and emotional well-being; and educational/workforce readiness. Further, the recommended actions are also aligned with Strategic Plan Goal 1: Organizational Effectiveness. Allowing the Acting Director or her designee to execute these limited types of amendments would result in a more efficient and timely procedural response to mergers, acquisitions, any other changes in ownership or contractors' name changes.

FISCAL IMPACT/FINANCING

There is no fiscal impact as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Currently, all contract assignments resulting from mergers, acquisitions, or other changes in ownership and contractors' name changes amendments are presented for your Board's approval. Under the recommended action, DPSS will use delegated authority to execute such amendments.

DPSS will conduct an analysis of mergers and acquisitions as required under the Evaluation of Vendors/Contractors Engaged in Mergers or Acquisitions Board policy to determine the appropriateness of continuing to contract with a vendor which has changed its corporate status or merged with or been acquired by another company.

The approval of this amendment will not result in unauthorized disclosure of confidential information and will be in full compliance with federal, State and County regulations.

The Contractor(s) will not be asked to perform services which will exceed the contract rates, scope of work and contract term.

Amendments I and II are in compliance with all Board and CEO requirements and have been approved as to form by County Counsel.

CONTRACTING PROCESS

No contract solicitation process is needed for this Amendment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enable DPSS to continue providing services to the residents of Los Angeles County and ensure that clients experience little or no break in service due to a Contractor's corporate transformation and ensure that contract documents reflect the appropriate contractor name and business status. There is no change in risk exposure to the County.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted, stamped Board letter to the Director of DPSS.

Respectfully submitted,



SHERYL L. SPILLER

Acting Director

SLS:wc

Enclosures

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors
Deputy Chief Executive Officer

ATTACHMENT A

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____ day of _____, 2012, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated _____, identified as County Agreement No. _____, and that any subsequent amendments (hereafter collectively "Contract"); and

WHEREAS, County and Contractor intend to amend Contract only as described hereunder; and

WHEREAS, Contract, Paragraph 8.1, ASSIGNMENT AND DELEGATION, prohibits Contractor (Assignor) from delegating its duties or assigning its rights without prior written consent of the County; and,

WHEREAS, it is the intent of the County and Contractor to delegate the duties and assign the rights under this Contract, from Assignor, _____, to Assignee, _____: and

WHEREAS, Assignee _____ agrees to be fiscally responsible for obligations of the Assignor, _____, past, present, and future. In particular, and without in any way limiting the scope of the financial obligations assumed, Assignee, _____ understands and agrees: (1) that it will be entirely responsible for any and all audit exceptions applied as any time against the previous entity, through any of its agreements with County or any Department thereof, whether assessed by Federal, State, or County audit(s).

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon execution.
2. All rights and responsibilities under Contract have been assigned and delegated by Assignor _____ to Assignee _____.
3. County hereby consents to such assignment and delegation.

4. Assignor and Assignee have separately prorated between themselves, to the extent necessary, any monthly payment due and paid under this Contract prior to execution of this Amendment.
5. That wherever the Contract refers to _____ shall now become _____ unless otherwise stated.
6. (For Merger Only) Effective _____, the purpose of this Contract shall be interpreted according to the following statement of purpose: It is intended to effectuate and implement the merger of _____ and _____, as requested by these entities, whereby _____ will cease to exist as a separate entity and will merge within the new entity _____. County consents to the merger with the understanding, as set forth herein, that the quantity and quality of services previously provided separately by _____ will not be diminished and that the new entity will be fiscally responsible for all of _____ obligations, past, present, and future. In particular, and without any way limiting the scope of the financial obligations assumed, _____ understands and agrees (1) that it will be entirely responsible for any and all audit exceptions applied at any time against the previous entity, _____ through any of its agreements or contracts with the County or any Department thereof, whether assessed by Federal, State or County audit(s); and (2) that these audit exceptions may arise and become payable after the effective date of the merger and the cessation of existence of _____. The parties agree that all applicable review and dispute resolution procedures under the Contract shall apply.
7. Except as provided in this Amendment, all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed on its behalf by the Director of the Department of Public Social Services and the Contractor has subscribed the same through its authorized officer, as of _____ day of _____ 2012.

The person signing on behalf of Contractor warrants under penalty of perjury that he or she is authorized to bind Contractor.

COUNTY OF LOS ANGELES

By: _____
Sheryl L. Spiller, Acting Director
Department of Public Social Services

Agency Name: _____

Address: _____

By: _____
Authorized Signature

Name: _____
Title: _____

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL
JOHN KRATTLI, ACTING COUNTY COUNSEL

By: _____
Senior Deputy County Counsel

ATTACHMENT B

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this _____ day of _____, 2012, by and between the COUNTY OF LOS ANGELES (hereafter "County") and _____ (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Contract, dated _____, identified as County Agreement No. _____, and that any subsequent amendments (hereafter collectively "Contract"); and

WHEREAS, County and Contractor intend to amend Contract only as described hereunder; and

WHEREAS, in Contract; the Contractor is identified as and referred to by the name of _____.

WHEREAS, it is the intent of the County and Contractor to change the name of the Contractor from _____ to _____, in all further references in Contract, the Contractor shall be known by and referred to as _____.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon execution.
2. All future correspondence and documents referencing Contract No. _____, shall refer to the Contractor as _____.
3. Contractor shall provide services in accordance with the terms of Contract.
4. Except as provided in this Amendment, all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this contract to be subscribed on its behalf by the Director of the Department of Public Social Services and the Contractor has subscribed the same through its authorized officer, as of _____ day of _____ 2012.

The person signing on behalf of Contractor warrants under penalty of perjury that he or she is authorized to bind Contractor.

COUNTY OF LOS ANGELES

By: _____
Sheryl L. Spiller, Acting Director
Department of Public Social Services

Agency Name: _____

Address: _____

By: _____
Authorized Signature

Name:
Title:

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL
JOHN KRATTLI, ACTING COUNTY COUNSEL

By: _____
Senior Deputy County Counsel